

# The Odisha Gazette

**EXTRAORDINARY  
PUBLISHED BY AUTHORITY**

---

---

**No. 1419, CUTTACK, THURSDAY, JULY 25, 2024/SRAVANA 3, 1946**

---

---

## **LAW DEPARTMENT**

### **NOTIFICATION**

The 24th July, 2024

**S.R.O. No.378/2024**— In exercise of the powers conferred by Section 18 of the Legal Services Authorities Act, 1987 (39 of 1987), the accounts of the Odisha State Legal Services Authority for the year 2018-19 has been audited by the O/o. Principal Accountant General Odisha , Bhubaneswar and the report thereto of the Comptroller and Auditor General of India is hereby published for being laid before the Odisha Legislative Assembly.

[No. 10969 — LSA-12/2024/L.]

By Order of the Governor

MANAS RANJAN BARIK

Principal Secretary to Government

**SEPARATE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL  
OF INDIA ON THE ACCOUNTS OF ODISHA STATE LEGAL SERVICES  
AUTHORITY, CUTTACK FOR THE YEAR ENDED 31 MARCH 2019**

1. We have audited the attached Balance Sheet of Odisha State Legal Services Authority (OSLSA), Cuttack as on 31<sup>st</sup> March 2019 and the Income & Expenditure Accounts/Receipts and Payment Account for the year ended on that date under Section 19(2) of the Comptroller and Auditor General's DPC (Duties, Powers and Conditions of Service) Act, 1971 read with Section 18(2) of the Legal Service Authorities (LSA) Act, 1987. These financial Statements include the accounts of thirty District Legal Service Authorities (DLSAs), eighty-nine Taluk Services Committees (TLSCs) and one High Court Legal Services Committee (HLSC). The preparation of financial statements is the responsibility of the management of OSLSA. Our responsibility is to express an opinion on these financial statements based on our audit.

2. This Separate Audit Report contains the comments of the Comptroller and Auditor General of India (C&AG) on the accounting treatment on classification in conformity with the best accounting practices, Accounting Standards and disclosure norms, etc. Audit observation on financial transactions with regards to compliance with the Law, Rules and Regulations (Propriety and Regulatory) and efficiency-cum-performance aspects etc., if any, are reported through Inspection Reports / CAG's Audit Reports separately.

3. We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. And audit includes examining, on test basis, evidence supporting the amounts and disclosure in the financial statements.

An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.

4. Based on our audit, we report that:

- i. We have obtained all the information and explanations, which to the best of our knowledge and beliefs were necessary for the purpose of our audit.
- ii. The Balance Sheet and Income & Expenditure Account / Receipt & Payment Account dealt with by this report have been drawn up in the

format prescribed by the Government of India in consultation with the Comptroller and Auditor General (C&AG) of India.

- iii. In our opinion, proper books of accounts and other relevant records have been maintained by OSLSA, Cuttack as required under Section 18 of Chapter-V of the Legal Services Authorities Act, 1987 in so far as it appears from our examination of such books.
- iv. We further report that:

<b>COMMENTS ON ACCOUNTS</b>
-----------------------------

## **A. Income and Expenditure Account**

### **Expenditure**

#### **Expenditure on Grants, Subsidies etc. (Schedule-9) ₹ 134,140,369**

1. The above does not include a sum of ₹13,82,613/- being the expenditures (Annexure-1) occurred during 2018-19 for which the payment was made during the Financial Year 2019-20. Short provision of above, resulted in understatement of expenditure on Government grants and deficit of income over expenditure by ₹13,82,613/- with corresponding understatement of Current Liabilities & Provisions by same amount.

## **B. General**

2. The following accounting transactions were not disclosed in the Notes on accounts to the annual accounts of OSLSA for the year ending 31 Mar 2019:

As per Section 9 of "The Odisha Victim Compensation Scheme, 2017", the victim is awarded compensation in two phases, first half being within any time before commencement of trial and the rest half on conclusion of trial subject to the satisfaction to be recorded in writing by the District Legal Services Authority basing upon the opinion of the public prosecutor concerned that the victim cooperated with the prosecution during trial. During FY- 2018-19, ₹1.94 crore (*Annexure-II*) were paid to the victims as interim compensation under Odisha Victim Compensation Scheme, 2017 out of award amount of ₹3.90 crore. The balance amount i.e., ₹1.96 crore is to be paid in upcoming years subject to compliance of Section 9 of The Odisha Victim Compensation Scheme, 2017. Being a future obligation of the Authority, this should have been disclosed. Thus, the disclosure is deficient to that extent.

### **C. Grants-in-Aid**

Out of the available funds of ₹21,99,04,338, the organization could utilize a sum of ₹13,52,27,844 leaving a balance of ₹8,46,76,494/- unutilized as on dated 31st March 2019.

### **D. Net Impact**

The net effect of the comments given in the preceding paras was that Liabilities as on dated 31st March 2019 were understated by ₹13,82,613/- and expenditure was understated by ₹13,82,613/-.

- v. Subject to our observations in the preceding paragraphs, we report that the Balance Sheet, Income & Expenditure Account/ Receipt & Payment Account dealt with by this report agree with the books of accounts.
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read with the Accounting Policies and Notes on Accounts, and subject to the significant matters stated above and other matters mentioned in Annexure to this Audit Report give a true and fair view in conformity with accounting principles generally accepted in India.
  - a. In so far as it relates to the Balance Sheet, of the state of affairs of Odisha State Legal Services Authority (OSLSA), Cuttack as at March 2019; and
  - b. In so far as it related to Income & Expenditure Account of the deficit for the year ended on that date.

**For and on behalf of  
Comptroller and Auditor General of India**

**Place: Bhubaneswar**

**Date: 15th January, 2024**

**ACCOUNTANT GENERAL**

**1. Adequacy of Internal Audit**

There is no Internal Audit Cell exist and Internal Audit is conducted by a Chartered Accountant appointed by the OSLSA, Cuttack.

**2. System of Physical Verification of Fixed Assets/Inventories**

The Fixed Assets Register was maintained, and Physical Verification of assets/ inventories were conducted during 2018-19.

**3. Regularity in Payment of Statutory dues**

The Statutory dues were being deposited in time and no payment in respect of statutory dues were outstanding as on 31<sup>st</sup> March 2019. The staffs were being paid from the regular budget allotment of Law Department and the statutory dues are being deducted by the Treasury at the time of drawal of bills.

**4. Internal Control System**

- Fixed Assets Register at DSLC level are not maintained properly.
- Stock/ Assets register furnished to audit does not contain fixed assets like Land, Buildings etc.

**Deputy Accountant General /AMG-I**